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**M E M O R A N D U M**

**TO:** Finance Officers, State Agencies  
**FROM:** Diane Langham, Director  
**DATE:** June 8, 2015  
**SUBJECT:** Closing FY2015 and Opening FY2016 Procedures

MAGIC is almost one year old and its first fiscal year end is approaching. Constitutional and statutory provisions remain that affect the year-end closing functions of accounting records including MAGIC and SPAHRS. We are including procedural requirements for closing FY2015 and opening FY2016. A list of the actions is detailed in this memo by date. Hopefully, you will use this checklist as a tool during the old/new year transition period.

**BUDGETS**

The DFA Office of Budget and Fund Management (OBFM) issued a memorandum May 8, 2015 requiring state level budgets for BY2016 be entered in MAGIC no later than June 5, 2015. Agency level budgets for BY2016 can be entered in MAGIC either through direct entry or the spreadsheet upload as soon as the state level budget is approved.

For more MAGIC assistance, please review the [Budget](#) training material.

**PROCESSING SCHEDULE FOR YEAR-END**

MAGIC is available 24 hours a day unless notified via MASH. SPAHRS will be available on weekends from 8:00 a.m. to 8:00 p.m. beginning June 6<sup>th</sup> through June 28<sup>th</sup>. The MMRS Call Center support is not available on weekends.

To allow for jobs that must be run to facilitate the year end close process and establish fiscal year 2016 data, MAGIC and SPAHRS will come down at **noon on June 30, 2015**. You will be notified when MAGIC and SPAHRS are available. There is a possibility the systems may not be available until **July 2, 2015**.

## **BY2015 ADJUSTING JOURNAL ENTRIES (JE's)**

All BY2015 journal entry documents (JE's) (e.g., ZE, YV, ZK) must be processed on or before August 31, 2015. No BY2015 JE's will be processed after that date. To ensure that all BY2015 JE's are processed in MAGIC, those that require DFA approval must be approved by the agency by August 26<sup>th</sup> and include all required supporting documentation to ensure approval by DFA.

## **BY2015 PURCHASE ORDER (PO) DEADLINES**

In accordance with section 7-7-23, Mississippi Code, Annotated 1972, **June 30<sup>th</sup>** is the deadline for agencies **to enter and apply all agency approvals** to PO's for BY2015. MAGIC edits will prevent BY2015 PO's from being issued after June 30, 2015. Remember, MAGIC and SPAHRS will be unavailable beginning 12:00 noon.

Outstanding PO's at June 30, 2015 will be rolled into Fiscal Year (FY) 2016 but remain encumbered against BY 2015. These PO's can be modified to add a BY2016 line(s). At August 31, 2015, open BY2015 lines on the PO's will be closed.

For MAGIC assistance, please review the [Procurement](#) training materials.

## **CONTRACTS**

Contracts that have an end date of June 30, 2015 should have a PO issued prior to June 30<sup>th</sup> to enable lapse period payments. A PO may not be required based upon the general ledger code, but no payments can be made against a contract after the end date of the contract unless a PO exists. A PO can also not be created against a contract after the end date of the contract. The best business practice is to issue a PO for each contract as the contract is issued.

For MAGIC assistance, please review [Contracts](#) training materials.

## **RFx DOCUMENTS**

RFx Opening and Closing dates should not be between June 29 and July 3, 2015. This is due to system availability, and to ensure that conflicts are avoided due to year-end processing. If your agency has an RFx opening or closing during that timeframe, please modify those document dates.

## **FY/BY 2016 BUDGET CONTROLS**

Current Year Functional Area Budget Controls will be copied from 2015 to 2016. If an agency wants to change their Budget Control (i.e., turn on or off Z1 or Z3), a request must be emailed to [Lisa.Dunn@DFA.ms.gov](mailto:Lisa.Dunn@DFA.ms.gov) and [Nita.Caylor@dfa.ms.gov](mailto:Nita.Caylor@dfa.ms.gov).

## BY15 AND BY16 CASH ACCOUNTS

In MAGIC, the general ledger (GL) account for cash is the same for both budget years. Agencies will tell OFM how much cash to move forward from BY2015 to BY2016. Please complete and return the [Cash Move Form](#) for all your MAGIC special funds (3's, 5's, 6x's) by June 24<sup>th</sup>.

To calculate the amount of cash to move forward, first determine how much cash is needed in BY2015 to cover outstanding purchase orders, outstanding invoices and expected BY2015 payments for travel, utilities, etc., during July and August. Then subtract this amount from the estimated net cash balance at June 30<sup>th</sup> to determine the cash amount that needs to be moved forward.

Since this is an estimate, you will be able to move cash during the lapse period by contacting OFM. Payments will not be issued if sufficient cash is not available in the proper budget year. Please carefully monitor your cash balances in both budget years during July and August. If you need cash moved, email Barbara Elliott and Princess Bender. **Please email both.**

For MAGIC assistance, please review the [General Ledger](#) training materials.

## PETTY CASH

Petty Cash funds must be reconciled as of June 30<sup>th</sup> and the final reimbursement for BY2015 must be submitted to OFM by July 17<sup>th</sup>. The reimbursement for BY2015 as of July 17<sup>th</sup> must be requested by submitting a final petty cash reimbursement request on an invoice along with [Form 29.60.10](#) Statement of Petty Cash/Imprest Fund Expenses.

Please also complete the [Petty Cash Reauthorization](#) form for your agency for each fund in which petty cash is set up and return to OFM by June 24<sup>th</sup>. A copy of your agency's petty cash procedures should be attached to the form. This form should be completed for all petty cash accounts, whether held in bank accounts or cash boxes.

## TRAVEL ADVANCES

Advances for travel expenses issued in BY2015 must be settled by July 31<sup>st</sup>. Any payments to employees, including salary, can be held by DFA if travel advances are not cleared by the end of the month following the month in which the trip was completed.

## TRAVEL

Travel completed before July 1<sup>st</sup> (BY2015) should **NOT** be combined on the same travel voucher summary with travel completed after July 1<sup>st</sup> (BY2016). SPAHRS will process travel based on the “travel to date.” If this ending date is after July 1<sup>st</sup>, travel will be expended against your BY2016 budget. If it is necessary to change these expenses to BY2015, you will need to follow the “Mass Change Before Posting” procedures in SPAHRS.

Please remember that you cannot process Travel Vouchers (TV's) for travel advances or reimbursement for employee travel in SPAHRS for BY2016 until July 1<sup>st</sup> or after. BY2016 travel processing dates will **not** be established in SPAHRS until **after** June 30<sup>th</sup>. The last travel processing date in June is June 25<sup>th</sup> and will pay on June 29<sup>th</sup>. The first travel processing date in July is July 2<sup>nd</sup> and will pay on July 6<sup>th</sup>.

## LAPSE PERIOD WAIVER REQUESTS

The deadline for all BY2015 waiver letter requests is August 19, 2015. An **XL** document should be used when requesting a lapse period waiver. MAAPP manual section 11.20.15 will be revised on or before July 1, 2015 to include MAGIC specific instructions. Submit all waiver requests to OFM, Attn: Barbara Elliott.

## LAPSE PERIOD PROCESSING

The new fiscal year begins July 1, 2015. All transactions processed in July will be recorded in the first accounting period of the new fiscal year (01/2016), but can be recorded in either BY2015 or BY2016.

Section 64, Constitution of the State of Mississippi, provides that appropriations may be held open for two months - through August 31<sup>st</sup>. To be assured of adequate processing time, MAGIC invoices and MAGIC transfer transactions for BY2015 should be submitted to OFM through workflow by August 21, 2015.

## RECEIVED DATE

Received Date will be a required field on payment documents during the lapse period. The date entered in this field should be the date the goods or services were received. The received date will be used to categorize payments on the received date reports as payables or encumbrances in order to record the proper GAAP accrual entries.

## GOODS RECEIPTS

Enter all Goods Receipts documents (WE's) prior to June 30<sup>th</sup> for any purchases received by that date. Doing so will reduce the year end accrual entries for GAAP.

## **CONTACT INFORMATION FORM**

Many times it is necessary for OFM to email agencies or to contact them in emergency situations. Therefore, please provide OFM with email addresses and phone numbers on the [Agency Contact Information Form](#) provided with this memo and return it to OFM by July 1<sup>st</sup>.

## **EXPENDITURES/PERFORMANCE BY PROGRAM**

Expenditures by program and performance measures will be due to DFA and LBO in July. The specific due date has not yet been determined. For MAGIC assistance, please review the [Allotment Period 2 – Performance Measure Statistical Key Figure Process](#) training material.

## **CLEANING UP ASSET SHELLS**

Review asset shells that have had no value added, and delete those that are not needed. Run the [Unposted Assets Report](#) using Transaction code S\_ALR\_87012056 to assist you in this process.

This report displays a fixed asset directory of unposted assets derived from asset shells that have been created but have no associated value. It is important that all unused asset shells be removed no later than June 19, 2015.

## **PORTAL PROCESSING AND CHANGES FOR FY2016**

The MAGIC E058 table for FY 2015 will be rolled over to FY 2016 by July 6<sup>th</sup>. If your agency has any changes to this table (e.g., new items to sell, licenses to issue, and changes in monetary amounts) contact Brandi King or Jim Hurst. All changes must be received by June 15, 2015 in order to be uploaded into MAGIC for FY 2016.

## **PARKED DOCUMENTS**

Many documents are currently in a parked status in MAGIC. You should review your documents and process as follows:

- Correct those with posting errors.
- Delete documents that are no longer needed.
- Complete workflow approval steps as needed.

## GRANTS AND INTERNAL ORDERS

There are several master data elements that need to be reviewed for grants and internal orders to ensure processing continues through the lapse period and to assure data integrity.

- Internal Orders – Check end dates
- Grant Internal Orders - Check grant number and add if missing
- Grants – Check end date – date must extend through the time warrants are generated

## ACCOUNT VALIDATION & SPAHRS CROSSWALK

The Account Validation (E398 table) and the SPAHRS Crosswalk table will be rolled from FY/BY 2015 to FY/BY 2016 on June 17, 2015. During this rollover, the SPAHRS crosswalk FY/BY 2014 entries will be deleted. After June 17<sup>th</sup>, if you request changes to 2015 that need to be made for 2016, be sure to request changes for both years.

## MAGIC ASSISTANCE

For further information on MAGIC processes and related job aids please visit [uPerform](#). To learn more about the File Structure of uPerform please see the [File Structure](#) job aid.

## CLOSING

This memo, the agency contact information form, the petty cash form, and the cash move form, are available on the DFA website at the following link:

[www.dfa.state.ms.us/Offices/OFM/OFM.htm](http://www.dfa.state.ms.us/Offices/OFM/OFM.htm) under FY15 Year-End Close. Your cooperation during this busy transitional period is appreciated. If you have any questions concerning this memo or any of these procedures, please contact the following:

Area	Name	Phone Number	Email Address
Receipts	Lynn Lawson	601-359-3550	<a href="mailto:Lynn.Lawson@dfa.ms.gov">Lynn.Lawson@dfa.ms.gov</a>
Payments	Greg Ramsey	601-359-2053	<a href="mailto:Greg.Ramsey@dfa.ms.gov">Greg.Ramsey@dfa.ms.gov</a>
Vendors	Sharon Chambers	601-359-3541	<a href="mailto:Sharon.Chambers@dfa.ms.gov">Sharon.Chambers@dfa.ms.gov</a>
	Gail Marshall	601-359-2067	<a href="mailto:Gail.Marshall@dfa.ms.gov">Gail.Marshall@dfa.ms.gov</a>
Travel Advances	Tonya Swan	601-359-3853	<a href="mailto:Tonya.Swan@dfa.ms.gov">Tonya.Swan@dfa.ms.gov</a>
Waivers	Barbara Elliott	601-359-3049	<a href="mailto:Barbara.Elliott@dfa.ms.gov">Barbara.Elliott@dfa.ms.gov</a>
Cash Moves and Other Items	Princess Bender	601-359-9433	<a href="mailto:Princess.Bender@dfa.ms.gov">Princess.Bender@dfa.ms.gov</a>
	Barbara Elliott	601-359-3049	<a href="mailto:Barbara.Elliott@dfa.ms.gov">Barbara.Elliott@dfa.ms.gov</a>
Portal	Brandi King	601-359-3568	<a href="mailto:Brandi.King@dfa.ms.gov">Brandi.King@dfa.ms.gov</a>
	Jim Hurst	601-359-3011	<a href="mailto:Jim.Hurst@dfa.ms.gov">Jim.Hurst@dfa.ms.gov</a>
Office of Financial Reporting	Cindy Ogletree	601-359-2072	<a href="mailto:Cindy.Ogletree@dfa.ms.gov">Cindy.Ogletree@dfa.ms.gov</a>
	Robert Johnson	601-359-9690	<a href="mailto:Robert.Johnson@dfa.ms.gov">Robert.Johnson@dfa.ms.gov</a>

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